

from the International Fund for Ireland (a) will be distributed in accordance with the principle of equality of opportunity and non-discrimination in employment, without regard to religious affiliation, and (b) will address the needs of both communities in Northern Ireland.

You are authorized and directed to transmit this determination, together with the attached statement setting forth a detailed explanation of the basis for this certification, to the Congress.

This determination shall be effective immediately and shall be published in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on September 23.

Memorandum on Funding for the African Crisis Response Initiative
September 22, 1997

Presidential Determination No. 97-34

Memorandum for the Secretary of State

Subject: Transfer of \$4 million in FY 1997 Economic Support Funds to the Peacekeeping Operations Account to Support the African Crisis Response Initiative

Pursuant to the authority vested in me by section 610(a) of the Foreign Assistance Act of 1961, as amended (the "Act"), I hereby determine that it is necessary for the purposes of the Act that \$4 million of funds made available under Chapter 4 of Part II of the Act for fiscal year 1997 be transferred to, and consolidated with, funds made available under Chapter 6 of Part II of the Act.

I hereby authorize the use in fiscal year 1997 of the aforesaid \$4 million in funds made available under Chapter 4 of Part II of the Act to provide peacekeeping assistance to support countries participating in the African Crisis Response Initiative.

You are hereby authorized and directed to report this determination immediately to the

Congress and to arrange for its publication in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on September 23.

Letter to Congressional Leaders on Iraq
September 23, 1997

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102-1) and as part of my effort to keep the Congress fully informed, I am reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the United Nations Security Council (UNSC). This report covers the period from July 9 to the present.

Saddam Hussein remains a threat to his people and the region, and the United States remains determined to contain the threat posed by his regime. Secretary of State Albright stated on March 26 that the United States looks forward to the day when Iraq rejoins the family of nations as a responsible and law-abiding member but until then, containment must continue. Secretary Albright made clear that Saddam's departure would make a difference and that, should a change in Iraq's government occur, the United States would stand ready to enter rapidly into a dialogue with the successor regime.

In terms of military operations, the United States and its coalition partners continue to enforce the no-fly zones over northern Iraq under Operation Northern Watch and over southern Iraq through Operation Southern Watch. We have not detected any confirmed, intentional Iraqi violations of either no-fly zone during the period of this report. We have repeatedly made clear to the Government of Iraq and to all other relevant parties that the United States and its partners will continue to enforce both no-fly zones, and that we reserve the right to respond appropriately and decisively to any Iraqi provocations.

In addition to our air operations, we will continue to maintain a strong U.S. presence

in the region in order to deter Iraq. United States force levels include land- and carrier-based aircraft, surface warships, a Marine amphibious task force, a Patriot missile battalion, and a mechanized battalion task force deployed in support of USCINCCENT operations. To enhance force protection throughout the region, additional military security personnel have been deployed for continuous rotation. USCINCCENT continues to monitor closely the security situation in the region to ensure adequate force protection is provided for all deployed forces.

United Nations Security Council Resolution (UNSCR) 949, adopted in October 1994, demands that Iraq not use its military or any other forces to threaten its neighbors or U.N. operations in Iraq and that it not redeploy troops or enhance its military capacity in southern Iraq. In view of Saddam's accumulating record of unreliability, it is prudent to retain a significant U.S. force presence in the region in order to maintain the capability to respond rapidly to possible Iraqi aggression or threats against its neighbors.

Since my last report, the Government of Iraq has continued to flout its obligations under UNSC resolutions. During the last 60 days, the Government of Iraq has continued to fail to fully disclose its programs for weapons of mass destruction (WMD). Without such full disclosure—mandated by Security Council Resolutions 687, 707, and 715—the U.N. Special Commission (UNSCOM) and the International Atomic Energy Agency (IAEA) cannot effectively conduct the ongoing monitoring and verification mandated by relevant UNSC resolutions. UNSCOM and the IAEA continue to provide Iraq every opportunity for full disclosure. What Iraq will not disclose, UNSCOM and IAEA will try to discover, in an effort to fill in the huge gaps in Iraq's declarations.

Iraqi threats, lying, and hiding during the past 6 years have not deterred UNSCOM and IAEA dedication to their mandates. While some nations have begun to display sanctions-fatigue, the United States remains committed to sanctions enforcement. We shall continue to oppose any suggestion that the sanctions regime should be modified or lifted before Iraq demonstrates its peaceful

intentions by complying with its obligations under UNSC resolutions.

We anticipate the UNSCOM and IAEA 6-month reports to the Security Council, due October 11, which will record their conclusions regarding whether the Government of Iraq has provided the "substantial compliance" called for in UNSCR 1115 of June 21, 1997—especially regarding immediate, unconditional, and unrestricted access to facilities for inspection and to officials for interviews.

The United States is committed to providing first-class professional support to UNSCOM and the IAEA in the conduct of their highly technical work in Iraq, so that both organizations are staffed and equipped to conduct objective and accurate inspections in order to determine whether Iraq has, or has not, complied with its obligations in the field of WMD.

Implementation of UNSCR 1051 continues. It provides for a mechanism to monitor Iraq's effort to reacquire proscribed weapons capabilities by requiring that Iraq notify a joint unit of UNSCOM and the IAEA in advance of any imports of dual-use items. Similarly, U.N. members must provide timely notification of exports to Iraq of dual-use items.

Regarding northern Iraq, the United States continues to lead efforts to increase security and stability in the north and minimize opportunities for Baghdad or Tehran to threaten Iraqi citizens there. An important part of this effort has been to work toward resolving the differences between the two main Iraqi Kurd groups, the Kurdistan Democratic Party (KDP), led by Massoud Barzani, and the Patriotic Union of Kurdistan (PUK), led by Jalal Talabani. Talabani visited the United States in late July to meet with National Security Advisor Sandy Berger, Under Secretary of State Thomas Pickering, and U.N. Ambassador Bill Richardson. At these sessions, he reaffirmed his interest in the "Ankara process" of ongoing reconciliation talks jointly sponsored by the United States, the United Kingdom, and Turkey. Recently, the KDP's Barzani has also accepted our invitation to Washington.

As part of the Ankara process, the United States provides political, financial, and logistical support to the neutral, indigenous

Peace Monitoring Force (PMF), comprised of Iraqi Turkomans and Assyrians. The PMF has demarcated and monitors the cease-fire line established between the two Kurdish groups in October 1996. United States support takes the form of services and commodities provided in accordance with a drawdown that I directed on December 11, 1996, and funds for other nonlethal assistance provided in accordance with a separate determination made by former Secretary of State Christopher on November 10, 1996.

The PMF also helps the Iraqi Kurds move forward on other confidence-building measures, including joint committee meetings to address a range of civilian services and humanitarian issues affecting all residents of the north. Local representatives of the two Kurdish groups, the three co-sponsors of the Ankara process and the PMF continue to meet at least biweekly in Ankara to discuss, *inter alia*, other confidence-building measures.

The PMF began full deployment in mid-April 1997 and its size is expected to double later this year to more than 400. The PMF continues to investigate and resolve reported cease-fire violations. Its work has become more difficult as elements of the terrorist Kurdistan Workers Party (PKK) have moved from the Turkish border toward the PUK-KDP cease-fire line. The KDP alleges that PKK elements have been operating across the cease-fire line to attack the KDP. The KDP also alleges that the PUK has joined in some of these attacks, a charge that the PUK denies. The United States, together with the United Kingdom and Turkey, continues to stress the importance of strict observance of the cease-fire.

Another important aspect of our commitment to the people of northern Iraq is in providing humanitarian relief for those in need. As part of this commitment, AID's Office of Foreign Disaster Assistance will direct an additional \$4 million for relief projects to the region. These supplemental programs, announced July 31, will provide emergency health and nutritional support to 80,000 displaced women and children and improve water supplies and sanitation, particularly in the PUK-controlled province of Suleymaniyah.

The oil-for-food arrangement under UNSCR 986 was reauthorized by UNSCR 1111 on June 4, 1997, and went into effect on June 8, 1997. Under UNSCR 1111, Iraq is authorized to sell up to \$1 billion worth of oil every 90 days, for a total of \$2 billion during a 180-day period (with the possibility of UNSC renewal for subsequent 180-day periods). Resolution 1111, like its predecessor, requires that the proceeds of this limited oil sale, all of which must be deposited in a U.N. escrow account, will be used to purchase food, medicine, and other material and supplies for essential civilian needs for all Iraqi citizens and to fund vital U.N. activities regarding Iraq. Critical to the success of UNSCR 1111 is Iraq's willingness to follow through on its commitments under the resolution to allow the U.N. to monitor the distribution of humanitarian goods to the Iraqi people. Although UNSCR 1111 went into effect on June 8, Iraq unilaterally suspended oil sales until a new distribution plan was submitted and approved. The U.N. Secretary General approved a distribution plan on August 13 and oil sales have resumed.

Iraq continues to stall and obfuscate rather than work in good faith toward accounting for the hundreds of Kuwaitis and third-country nationals who disappeared at the hands of Iraqi authorities during the occupation. It has also failed to return all of the stolen Kuwaiti military equipment and the priceless Kuwaiti cultural and historical artifacts that were looted during the occupation.

The human rights situation throughout Iraq remains unchanged. Iraq's repression of its Shi'a population continues, with policies that are destroying the Marsh Arabs' way of life in southern Iraq and the ecology of the southern marshes. The U.N., in its most recent reports on implementation of UNSCR 986, recognized that the Government of Iraq continues forcibly to deport Iraqi citizens from Kirkuk and other areas of northern Iraq still under the Iraqi government's control. The Government of Iraq shows no signs of complying with UNSCR 688, which demands that Iraq cease the repression of its own people. The effort by various Iraqi opposition groups and non-governmental organizations to document Iraqi war crimes and other vio-

lations of international humanitarian law, known as INDICT, continues.

The Multinational Interception Force (MIF) continues its important mission in the Arabian Gulf. The United States Navy provides the bulk of the forces involved in the maritime sanctions enforcement authorized under UNSCR 665, although we receive much-needed help from a number of close allies. In recent months, ships from The Netherlands, Canada, New Zealand, and the United Kingdom have participated in MIF operations. We continue active pursuit of broad-based international participation in these operations.

Illegal smuggling of Iraqi gasoil from the Shatt Al Arab waterway continues to increase at an alarming rate. We now estimate that over 150,000 metric tons of gasoil each month is exported from Iraq in violation of UNSCR 661. The smugglers use the territorial waters of Iran with the complicity of the Iranian government that profits from charging protection fees for these vessels to avoid interception by the MIF in international waters. Cash raised from these illegal operations is used to purchase contraband goods that are then smuggled back into Iraq by the same route. We continue to brief the U.N. Sanctions Committee regarding these operations and have pressed the Committee to compel Iran to give a full accounting of its involvement. We have also worked closely with our MIF partners and Gulf Cooperation Council states to take measures to curb sanctions-breaking operations. A recent spill of illegal Iraqi gasoil caused the desalinization plant in Sharjah, United Arab Emirates (UAE), to suspend operation for 2 days, highlighting the environmental threat these activities pose to Gulf states. Recent announcements by the Government of the UAE that it intends to crack down on smugglers who operate UAE-flagged vessels has been backed up by strong actions against violators detained by the MIF.

The United Nations Compensation Commission (UNCC), established pursuant to UNSCR 687, continues to resolve claims against Iraq arising from Iraq's unlawful invasion and occupation of Kuwait. The UNCC has issued almost 1.1 million awards worth approximately \$5.9 billion. Thirty percent of

the proceeds from the oil sales permitted by UNSCR 986 have been allocated to the Compensation Fund to pay awards and to finance operations of the UNCC, and these proceeds will continue to be allocated to the Fund under UNSCR 1111. To the extent that money is available in the Compensation Fund, initial payments to each claimant are authorized for awards in the order in which the UNCC has approved them, in installments of \$2,500.00.

Iraq remains a serious threat to regional peace and stability. I remain determined to see Iraq comply fully with all of its obligations under U.N. Security Council resolutions. My Administration will continue to oppose any relaxation of sanctions until Iraq demonstrates its peaceful intentions through such compliance.

I appreciate the support of the Congress for our efforts and shall continue to keep the Congress informed about this important issue.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.

Message to the Senate Transmitting the Protocol to the Canada-United States Taxation Convention

September 23, 1997

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Protocol Amending the Convention Between the United States of America and Canada with Respect to Taxes on Income and on Capital Signed at Washington on September 26, 1980 as Amended by the Protocols Signed on June 14, 1983, March 28, 1984 and March 17, 1995, signed at Ottawa on July 29, 1997. This Protocol modified the taxation of social security benefits and the taxation of gains from the sale of shares of foreign real-property holding companies.